H.—11\lambda

included. This practice has conformed with the four-weekly method of presentation adopted in September, 1935. In the annual report presented to Parliament by the Unemployment Board in October, 1935, the inclusive figures were presented, however, but the report indicated that the extended form of publication would not be continued as the real unemployment position would be more correctly stated by including only those in receipt of some form of unemployment relief and not those in full-time employment.

3

Notwithstanding that intention, the extended figures were published in the last two annual reports, but the methods of subsidizing industry over the past two years have had the effect of making any such return even less reliable than it was in 1935, as many of the present subsidies are designed to promote the growth of existing industries, such as flax and gold-mining, and are not related to registered unemployed. For that reason the figures are now prepared on the system introduced in 1935, and no effort is made to relate to unemployment figures, subsidies to industry, and for full-time work where men are employed under standard conditions. Table VIII (A) in the Appendix reflects this alteration.

In connection with the improved position of unemployment registrations it is of interest to refer to the statistics for exports and imports for the years ended 31st December, 1935, 1936, and 1937. The details are as follows:—

			Exports.	imports.
Year.			£	£
1935	 	 	 46,050,783	36,317,267
1936	 	 	 56,263,215	44,258,886
1937	 . ,	 	 66,208,876	56,160,695

The figures for export exclude re-exports and specie.

Exports for 1936 showed an increase of 17·7 per cent. over 1935 and exports for 1937 showed an improvement of 19 per cent. over 1936. These particulars are quoted merely as an indication of the general prosperity which has contributed to the decline in unemployment registrations. A further indication is afforded by the following summary (continued from the previous report) relating to the national income as reflected by the employment charge collected:—

Income as shown by the Employment Charge collected.

		Yea	r.		 Salaries and Wages.	Other Income.	Total.	
					£	£	· £	
1931-32					 *	22,837,950	22,837,950	
1932 - 33					 54,586,800	22,280,460	76,867,260	
1933-34					57,332,460	29,072,070	86,404,530	
1934 - 35	, .				 61,163,550	28,324,350	89,487,900	
1935-36				A	 66,209,280	37,094,910	103,304,190	
1936 - 37					 78,309,960	49,207,920	127,517,880	
1937–38					 91,053,060	51,000,000†	142,053,060	

 $<sup>\</sup>ast$  Wages-tax not collected.

Increase in Total Income represented by Wages-tax and Tax on other Income.

	Salaries and Wages.		Other Income.		Total.					
Year.	Amount.	Per Cent.	Amount.	Per Cent.	Amount.	Per Cent.				
		£		£		£				
Increase of 1933-34 over 1932-33		2,745,660	5.03	6,791,610	30.48	9,537,270	$12 \cdot 41$			
Increase of 1934-35 over 1933-34		3,831,090	6.68	747,720*	$2 \cdot 57$	3,083,370	3.57			
Increase of 1935–36 over 1934–35		5,045,730	$8 \cdot 25$	8,770,560	30.96	13,816,290	15.44			
Increase of 1936–37 over 1935–36		12,100,680	$18 \cdot 28$	12,113,010	$32 \cdot 66$	24,213,690	$23 \cdot 44$			
Increase of 1937–38 over 1936–37		12,743,100	$16 \cdot 27$	1,792,080†	$3 \cdot 64$	14,535,180	11.40			
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<sup>\*</sup> Denotes decrease.

The present year has seen perhaps the most marked reduction in the registered number of unemployed since before the depression. If relative figures were available it would possibly be found that the number of genuinely unemployed to-day is less than at any period for many years.

Although there is still a good number of men receiving sustenance relief out of the Fund, by far the majority are men who are totally unfit for employment. On account of their disability these persons should not be regarded as unemployed, but until such time as the Social Security legislation is passed, and the necessary administrative machinery established, assistance is being granted to them from the Employment Promotion Fund.

 $<sup>\</sup>dagger$  Based on estimate of collections of tax on income for the year 1938–39.

 $<sup>\</sup>dagger$  Estimate only.